

Israel-Frank bill prohibits discrimination in credit transactions on the basis of sexual orientation and gender identity

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Bill introduced with 44 original co-sponsors and support from LGBT organizations***

Washington, DC— On Wednesday, Reps. Steve Israel (D – N.Y.) and Barney Frank (D – Mass.) announced the introduction of the Freedom from Discrimination in Credit Act (H.R.4376), which will close gaps in the current law and prohibit discrimination in all credit transactions on the basis of sexual orientation and gender identity.

“In the last year, Americans have become painfully aware that our economy depends on the ability to secure credit – small businesses, students, homeowners and consumers all need it to grow and prosper. In these tough economic times, the last thing that anyone should have to worry about when applying for a loan or credit card is their sexual orientation or gender identity getting in the way. That’s why I’m introducing a bill to prohibit lenders from denying someone credit because they’re lesbian, gay, bisexual or transgender. Nobody should ever be denied a student loan or home mortgage because of their sexual orientation or gender identity,” said Rep. Israel.

“The Human Rights Campaign applauds Reps. Steve Israel, Barney Frank and the many cosponsors of the Freedom from Discrimination in Credit Act. Lesbian, gay, bisexual and transgender Americans have a right to the same access to credit on the same terms as any other American. This legislation is an important part of securing comprehensive civil rights protections and financial equality for LGBT Americans,” said Human Rights Campaign President Joe Solmonese.

Currently, the Equal Credit Opportunity Act prohibits lenders from discriminating in any credit transaction because of someone’s race, color, religion, national origin, sex, marital status, age or whether he or she receives public assistance. The Freedom from Discrimination in Credit Act adds sexual orientation and gender identity to the characteristics upon which discrimination is prohibited. Everyone who participates in the decision to grant credit or in setting the terms of that credit, including real estate brokers who arrange financing, must comply with the prohibition on discrimination. That means a wide variety of lending is covered by the current law and Rep. Israel’s proposal, including: student loans, mortgages, small business loans, personal loans, and credit card transactions.

The Israel-Frank bill has 44 original co-sponsors and is endorsed by Human Rights Campaign, National Center for Transgender Equality, National Center for Lesbian Rights, National Gay and Lesbian Taskforce and National Gay and Lesbian Chamber of Commerce.

Rep. Frank is the Chairman of the House Financial Services Committee. Rep. Israel serves on the House Appropriations Committee and previously served on the House Financial Services Committee.